



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

December 13, 2000

OFFICE OF
ENFORCEMENT AND
COMPLIANCE ASSURANCE

CERTIFIED MAIL #
RETURN RECEIPT REQUESTED

Mr. Dan W. Worden
Manager, Planning & Economics
Crown Central Petroleum Corporation
P.O. Box 1759
Houston, TX 77251

Re: Notice of Violations: File No. AED/MSEB - 6013

Dear Mr. Worden:

On January 19-20, 1999, authorized representatives of the U.S. Environmental Protection Agency ("EPA") inspected the Crown Central Petroleum Corporation ("Crown") gasoline terminal located at 801 Butt Street in Chesapeake, Virginia. The inspection was conducted to determine compliance with the requirements of section 211(1) of the Clean Air Act ("Act"), 42 U.S.C. § 7545(1), and the gasoline detergent additization regulations issued thereunder, 40 C.F.R. Part 80, Subpart G (the "detergent regulations"). Where inappropriate fuels are used in internal combustion engines, the emission of harmful gases can increase significantly. Notwithstanding improvements in vehicle emission control, emissions from motor vehicles continue to make up a very large portion of all air pollution. Congress has established a program of improvement and regulation of fuels to protect our air quality from unnecessary pollution associated with the misfueling of vehicles.

The detergent regulations, at 40 C.F.R. §§ 80.155(b) and 80.168(b), provide that no person may blend detergent additives ("detergent") into gasoline unless the volumetric additive reconciliation ("VAR") requirements of the detergent program found in §§ 80.157 and 80.170, as applicable, are complied with.

The Clean Air Act at 42 U.S.C. § 7524 and the detergent regulations at 40 C.F.R. §§ 80.159 and 80.172 subject violators of these laws to a maximum civil penalty of \$25,000 per day for each violation occurring prior to January 30, 1997, and \$27,500 per day for each violation occurring after that date, plus the amount of the economic benefit or savings resulting from each violation. The detergent regulations further specify that any violation of the VAR detergent compliance standard shall constitute a separate day of violation for each and every day of the VAR compliance period in which the standard was violated. (40 C.F.R. §§ 80.159(g) and 80.172(g).)

As a result of the EPA inspection of Crown's Chesapeake Terminal, EPA has determined that Crown's Chesapeake Terminal additized gasoline that did not comply with detergent program VAR requirements found in §§ 80.157 or 80.170, as applicable, in violation of 40 C.F.R. §§ 80.155(b) or 80.168(b), respectively, in that:

a. The detergent VAR compliance standard was not attained during the July, 1998 monthly compliance period;

b. In the July, 1998 VAR compliance period, the additization equipment was set at less than the required lowest additive concentration ("LAC") during the July 24 - 31, 1998 time frame, and supporting documentation was not maintained to support the additive volume used;

c. No VAR compliance record was created for the April, 1996 monthly compliance period;

d. The terminal failed to calculate and record on the VAR compliance forms the actual detergent concentration attained, for the following VAR compliance periods: all twelve (12) months in 1995 with the exception of March; all twelve (12) months in 1996 with the exception of April; the months of February, March, April, May, July, September, and October in 1997;

e. When the actual detergent concentration was recorded on the VAR forms, it was not recorded in the required ratio of gallons of detergent per thousand gallons of gasoline. (In February, 1995; January, June, August, November, and December of 1997; and all twelve (12) months in 1998);

f. None of the forty-eight (48) monthly VAR compliance forms which were reviewed by EPA identified gasoline volumes in terms of gallons, as required;

g. The reported volumes of gasoline barrels were incorrect on the March, 1995; August, November and December, 1997; and January, 1998 VAR compliance forms;

h. None of the forty-eight (48) monthly VAR compliance forms which were reviewed by EPA were certified for correctness or had the date of signature recorded.

(See Attachment for details of the above violations.)

The above constitutes, as a minimum calculation, a combined total of eight (8) violations of 40 C.F.R. §§ 80.155(b) or 80.168(b), as applicable, which occurred at Crown's Chesapeake Terminal. As the person that owns, leases, operates, controls or supervises the blending operation of the detergent blending facility where the above violations occurred, Crown is liable for all the above violations of 40 C.F.R. §§ 80.155(b) or 80.168(b), as applicable, pursuant to 40 C.F.R. §§ 80.156(a)(4) or 80.169(a)(4), respectively.

Sections 211 and 205 of the Clean Air Act, 42 U.S.C. §§ 7545 and 7524, authorize the Administrator of EPA to assess a civil penalty of up to \$25,000 for every day of such violation occurring prior to January 30, 1997, and up to \$27,500 for every day of such violation occurring after that date, plus the economic benefit or savings resulting from the violations. Rather than initiating litigation, we propose a civil penalty for the violations alleged in this Notice of Violations of twenty-seven thousand four hundred dollars (\$27,400).

EPA encourages settlement of such matters. The settlement process provides flexibility for reducing the proposed penalty, particularly if the alleged violations have been corrected promptly and steps have been taken to ensure future compliance. If we cannot settle this matter promptly, we reserve the right to file an administrative complaint or refer this matter to the U.S. Department of Justice with a recommendation to file a civil complaint in federal district court.

The EPA attorney designated below has been assigned to this case. Please contact her regarding this Notice of Violations.

Judy Lubow, Attorney
U.S. Environmental Protection Agency
Mobile Source Enforcement Branch
Air Enforcement Division
12345 W. Alameda Parkway
Suite 214
Denver, CO 80228
Phone Number: (303) 236-9503

Let me once again emphasize that while we take our obligation to enforce these regulations seriously, we will make every effort to reach an equitable settlement in this matter.

Sincerely yours,

Bruce C. Buckheit

Bruce C. Buckheit, Director
Air Enforcement Division
Office of Enforcement and Compliance Assurance

Attachment

Attachment

Crown Central Chesapeake, VA Terminal
Detergent Program violations

Violation Type	Violation Occurrence
Failure to attain VAR standard in compliance period.	July, 1998.
Setting detergent concentration level lower than LAC, and failure to maintain documentation of detergent volume used.	July, 1998.
No VAR compliance record created.	April, 1996.
Failure to calculate and identify the actual detergent concentration attained in the VAR compliance period.	January - December, 1995 (with the exception of March); January - December, 1996 (with the exception of April); February, March, April, May, July, September & October, 1997.
Failure to calculate and record in regulatory format on VAR form (gallons of detergent to thousand gallons of gasoline) the actual detergent concentration attained.	February, 1995; January, June, August, November & December, 1997; January - December, 1998.
Failure to identify on VAR forms the gasoline volume in gallons, as required by the regulation.	All 48 reviewed VAR compliance forms in the January, 1995 - December, 1998 period.
Incorrect reported gasoline volumes on VAR forms.	March, 1995; August, November & December, 1997; January, 1998.

Failure to certify for
correctness and/or date the
VAR compliance forms.

All 48 reviewed VAR compliance
forms in the January, 1995 -
December, 1998 period.